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PARIS FOR AFRICA WATCHER

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TAGS: ENRG EPET ECON EIND EINV GB SUBJECT: LIGHTS OUT IN LIBREVILLE

- 11. Summary: Gabon's capital continues to suffer from rolling blackouts, which began two weeks ago. The electric company, Societe d'Energie et d'Eau du Gabon (SEEG), states that due to low rainfall and high temperatures, its hydroelectric dams are unable to meet demand. Gabonese are not used to power cuts and they are angry and outraged by SEEG's failure to assure service. The company is flying in generators, which it hopes will stop the power outages and assuage the people's anger. End Summary.
- 12. After two weeks of rolling blackouts, residents of Libreville continue to suffer from power outages. Every neighborhood in the city experiences a blackout for at least a few hours each day. Unused to blackouts, residents complain of the heat and worry about side effects such as loss of productivity and an increase in crime.
- 13. All types and sizes of businesses are affected by the blackouts. Some grocers are closing or reducing their inventory because they cannot maintain the quality of food. Some gas stations aren't able to operate as their pumps are electrically operated. Even the generator at the city's largest hotel, the Intercontinental, was unable to cope when the electricity was cut off for over 17 hours.
- 14. As time has passed, and the blackouts continue, anger with SEEG has grown. In 1997 the government awarded SEEG, a subsidiary of the French Veolia Water Commpany, a 20-year concession for the production and distribution of water and electricity. The city's power is supplied from hydroelectric dams in Kinguele and Tchimbele (approximately 125 kilometers outside Libreville). Today, the company is accused of not meeting demand, as required by the 1997 contract. Commentators also cite a study commissioned by SEEG in 2001 that predicted the current difficulties if the company did not make necessary investments.
- 15. In defending itself, SEEG states that it has met contractual requirements; it shifts the blame to an explosion in electricity demand and low rainfall. According to SEEG, consumption has increased from 145 megawatts in 2006 to 161 megawatts today. The company also says water reserves at the hydroelectric dams fell significantly over the last year. In response to popular discontent, the company published a schedule of power outages. However, the schedule was not followed, further infuriating residents.
- 16. To resolve the issue, SEEG is flying in 15 generators to supplement power generation. The company states that they are installing the equipment and hope to have the situation controlled by the end of the month. As people continue to suffer through blackouts and anger continues to rise, the company would be best advised to keep its word.